

# **EXHIBIT “97”**

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WINDSOR SECURITIES, LLC

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

Windsor Securities, LLC, a Nevada limited  
liability company,

Plaintiff,

vs.

The Robert S. Coppock Irrevocable Life  
Insurance Trust; and Eliza L. Coppock, as  
Trustee of the Robert S. Coppock Irrevocable  
Life Insurance Trust – 2008,

Defendants.

Case No.

COMPLAINT FOR DECLARATORY  
RELIEF OF WINDSOR SECURITIES, LLC

Plaintiff Windsor Securities, LLC, a Nevada limited liability company (“Windsor”), files this  
Complaint for Declaratory Relief (the “Complaint”) in accordance with 28 U.S.C. § 2201(a) (the  
declaratory judgment act) and alleges as follows:

**I. PARTIES**

1. Windsor is, and at all relevant times has been, a limited liability company organized and  
existing under the laws of and domiciled in the State of Nevada. None of the members of Windsor are  
citizens of the State of Tennessee or South Carolina.

2. Defendant, The Robert S. Coppock Irrevocable Life Insurance Trust (the “Trust”), is a  
South Carolina irrevocable trust.

## II. JURISDICTION & VENUE

### III. STATEMENT OF THE CASE

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1 11. Robert S. Coppock, who resides and is domiciled in Tennessee, was the grantor of the  
2 Trust and the named insured for the Policy ("**Insured**"), and the Trust was the original owner of the  
3 Policy.

4 12. Upon information and belief, the Policy was placed through E.E.H. Consulting, Inc.  
5 Plaintiff is informed and believes, and on that basis alleges, that E.E.H. Consulting, Inc. is a Georgia  
6 corporation with its principal place of business being located in Atlanta, Georgia. Plaintiff is further  
7 informed and believes, and on that basis alleges that Eugene E. Houchins III acted as President of  
8 E.E.H. Consulting, Inc., at the time of the Policy's issuance, and that Eugene E. Houchins, Jr. or  
9 Eugene E. Houchins, III was the producer of the Policy. Plaintiff is further informed and believes, and  
10 on that basis alleges that, E.E.H. Consulting, Inc., through its officers and agents, acted as the servicing  
11 agent (the "**Servicing Agent**") for the Policy from the date of its issuance through and including March  
12 1, 2010.

13 13. Plaintiff is informed and believes, and on that basis alleges that, representatives of  
14 E.E.H. Consulting, Inc. contacted Robert S. Coppock in or around late 2007 and solicited him regarding  
15 the purchase of the Policy. Plaintiff is further informed and believes, and on that basis alleges that,  
16 representatives of E.E.H. Consulting, Inc. assisted Robert S. Coppock, the Trust, and the original  
17 trustee of the Trust to purchase the Policy and establish the Trust.

18 14. The Trust and the original trustee of the Trust, with the assistance of the representatives  
19 at E.E.H. Consulting Inc., contacted plaintiff regarding a loan related to financing premiums for the  
20 Policy. On or about April 14, 2008, the Trustee and Windsor entered into agreements related to a  
21 secured loan (the "**Loan**") from Windsor to the Trust, which loan was made in the original amount of  
22 \$83,770 and, by its terms, would increase based on accrued interest and premium payments that  
23 Windsor thereafter elected in its sole discretion to make. [A true and correct copy of the "**Financing**  
24 **Agreement Package**" is attached hereto as "**Exhibit B**" and incorporated herein by this reference.]  
25 Included in the Financing Agreement Package (and a part of Exhibit B) is an Assignment Of Life  
26 Insurance Policy As Collateral (the "**Assignment**"), which, among other things, collateralized the Loan  
27 with the proceeds of the Policy. (See Document #15 in **Exhibit B**, pages 127-132.)

28 15. The Assignment gave the Trust the option to offer Windsor transfer of full ownership of

1 the Policy and benefits in satisfaction of the Trust's liabilities if the Trust did want to pay off its debts  
2 to Windsor. The Assignment expressly provides:

3           **DEFAULT SALE RIGHT.** Upon an occurrence of an Event of Default  
4 (as defined in the Agreement) that has not been remedied within the time  
5 period required in the Agreement, Assignee shall have the right (the  
6 "Default Sale Right") but not the obligation to accept, that in consideration  
7 of the full and complete satisfaction of the Liabilities (the sufficiency of  
8 which consideration is hereby acknowledged) Owner may make a full  
9 transfer and assignment of the Insurance Policy to Assignee and thereby  
10 forever relinquish any and all rights Owner may have thereunder,  
11 including without limitation any rights to cash surrender value and/or  
12 death benefit provided thereunder. Upon the exercise of this Default Sale  
13 Right, Assignee shall notify Insurer in writing and Insurer shall thereafter  
14 recognize Assignee as the sole lawful owner of the Insurance Policy.

15 (Document #15 in **Exhibit B**, page 130.) This Assignment vests with the Owner the right to make a  
16 "full transfer and assignment of the Insurance Policy . . ." (*Id.*) Following the exercise of the Default  
17 Sale Right, wherein the Owner transfers full ownership of the Policy, the Assignment also vested  
18 Windsor as the assignee with the right to notify Pacific Life in writing that it was the "sole lawful  
19 owner of the Insurance Policy. . ." (*Id.*)

20           16. In May of 2008, the original Trustee also signed and returned the document  
21 provided by the insurance company, Pacific Life, entitled "Collateral Assignment." [A true and  
22 correct copy of the 2008 Pacific Life Collateral Assignment is attached hereto as "**Exhibit C**"  
23 and incorporated herein by this reference.] The Collateral Assignment expressly reserved to the  
24 Owner of the Policy, the Trust, the right to change the beneficiary of the Policy as long as there  
25 had been no surrender of the Policy. [Exh. C, page 2 "Policy Owner's Rights, ¶2.]

26           17. On or about July 15, 2009, Defendant Eliza L. Coppock and the insured Robert S.  
27 Coppock belatedly notified legal counsel for Windsor that Robert Coppock, II, the original trustee, was  
28 no longer the Trustee, and that the successor trustee was Defendant Eliza L. Coppock.

1           18. Pacific Life was notified of this change of trustee and provided its Collateral  
2 Assignment form to be executed by the new trustee. The new trustee, Defendant Eliza R. Coppock,  
3 executed the Collateral Assignment form in August 2009. [A true and correct copy of the 2009  
4 Collateral Assignment is attached hereto as "**Exhibit D**" and incorporated herein by this reference.]  
5 On or about September 23, 2009, Pacific Life provided Defendant Eliza L. Coppock with a written

1 confirmation of the Collateral Assignment in favor of Windsor. [Exh.D, page 1.]

2 19. In late January 2010, the Servicing Agent contacted Windsor to talk about the upcoming  
3 premium payment that was due on the Policy and the status of the Loan. Windsor asked the Servicing  
4 Agent to find out whether the Trust intended to pay off the Loan that would be coming due soon and  
5 keep the Policy or whether it wanted to surrender the Policy and transfer ownership to Windsor in lieu  
6 of paying its financial obligations.

7 20. The Servicing Agent reported back, after inquiry having been made, that the Trust did  
8 not want to pay off the Loan or pay the upcoming premium to keep the Policy and wanted instead to  
9 surrender the Policy to Windsor and transfer ownership of the Policy to Windsor. This surrender and  
10 transfer of the Policy was to be a full satisfaction of the Trust's liabilities to Windsor. In 2010  
11 Windsor informed the Servicing Agent that this proposed surrender and transfer of Ownership of the  
12 Policy to Windsor would be acceptable.

13 21. On or about February 15, 2010 therefore and consistent with the Trust's and Windsor's  
14 agreement, the Trust through the Trustee, as the Owner of the Policy, surrendered the Policy and  
15 signed and mailed the requisite Request of Ownership Change that expressly transferred ownership of  
16 the Policy to Windsor. [A true and correct copy of the signed Request of Ownership Change, is  
17 attached hereto as "Exhibit E" and incorporated herein by this reference.]

18 22. The document signed and returned by the Trust and Trustee on February 15, 2010,  
19 expressly identifies "Windsor" as the "New Owner" of the Policy. [Exh. E, at page 1.] The document  
20 signed and returned by the Trust through its Trustee also included a change in the Beneficiary under  
21 the Policy from Eliza L. Coppock to Windsor as the new beneficiary of the Policy. [Exh. E, at page 2.]  
22 This surrender and transfer of ownership effectuated by the Trust through its Trustee is authorized  
23 expressly by the Assignment signed by the Trust that vested with the Owner the right to make a "full  
24 transfer and assignment of the Insurance Policy . . . ." [Document #15 in Exhibit B, page 130.)  
25 Neither the Trust nor the Trustee has ever objected to this change of the owner or the beneficiary of the  
26 Policy.

27 23. On February 19, 2010, Windsor sent the signed Request of Ownership Change for the  
28 Policy by facsimile to Pacific Life, and on February 25, 2010, Windsor sent the original signed



1 documents to Pacific Life by Federal Express. [Exh. E, at pp. 4-6.] [*Id.*]

2 24. On or about March 30, 2010, the producer for the Policy communicated to Windsor that  
3 the insured, Mr. Coppock, requested that Windsor, as owner of the Policy, provide a release to  
4 complete his file.

5 25. Windsor's executive was out of the country shortly after receipt of this request. On  
6 April 23, 2010, Windsor mailed Mr. Coppock a signed release that states: "Please accept this letter as  
7 formal notification that pending our ownership of policy #VF5170 1030, *we are releasing you from*  
8 *any future obligations of our financial agreement.*" [Emphasis added.] [A true and correct copy of  
9 the request for a release and the release are attached hereto as "Exhibit F" and incorporated herein by  
10 this reference.]

11 26. Neither Mr. Coppock nor the Trust or Trustee responded to that letter. Indeed, neither  
12 the Trust nor Trustee has had any contact, direct or indirect, verbal or written with Windsor for more  
13 than 4 years since the April 23<sup>rd</sup> letter was sent, a period during which Windsor, as owner, continued to  
14 make premium payments.

15 27. On or about September 2, 2010, Pacific Life provided a written confirmation to the  
16 Trust and Trustee, Servicing Agent, and Windsor that the written Request of Ownership Change signed  
17 by the Trust and Trustee had been received and processed. [A true and correct copy of the COO  
18 confirmation mailed by Pacific Life to Plaintiff and the Trust and Trustee is attached hereto as  
19 "Exhibit G" and incorporated herein by this reference.]

20 28. Since the April 2008 financing, the Trust and Trustee have failed to make any premium  
21 payments related to the Policy. In contrast, Windsor alone has borne the entire financial burden for the  
22 required premiums payments for the Policy paying in excess of \$373,000 in premiums. Accordingly,  
23 Windsor has made all required premium payments, without which the Policy would have lapsed.

24 29. The insured Mr. Coppock is still living and Windsor continues to make the annual  
25 premium payments for the Policy. Neither the Trust nor the Trustee has ever attempted to make any  
26 ongoing premium payments. In fact, upon information and belief, neither the Trust nor the Insured has  
27 had any idea of when premium payments have come due during the last four years.

28 30. On or about June 1, 2014, Windsor contacted The Trust and Trustee by letter. This was

1 the first contact between Windsor and the Trust and Trustee in more than four years. [A true and  
2 correct copy of the June 1, 2014 letter sent to the Trust and Trustee is attached hereto as “**Exhibit H**”  
3 and incorporated herein by this reference.] In the June 2014 letter, Windsor explained that it was  
4 doing some spring cleaning of its files and was writing to find out if the Trust was still extant and the  
5 Insured was still alive. Windsor reminded the Trust that it had no financial obligations due to the  
6 Trust’s voluntary assignment of the Policy in 2010 in exchange for Windsor’s agreement that the  
7 assignment would constitute a complete satisfaction and discharge of the Loan and the consequent  
8 discharge of the Loan.

9 31. Neither the Trust nor the Trustee ever responded to the June 2014 letter nor took issue  
10 with any of the statements in Windsor’s June 2014 letter. Instead, the Insured, five months after  
11 Windsor’s June 2014 letter, sent a letter dated November 4, 2014 advising that he had contacted an  
12 unnamed attorney.

13 32. In the November 4, 2014 letter, a true and correct copy of which is attached hereto as  
14 “**Exhibit I**,” the Insured claimed for the first time that he disagreed that the Trust had no rights to the  
15 Policy or any portion of it, though he did not dispute that the Trust had informed Windsor that it was  
16 not willing to repay the Loan (the “Late Objection Letter”).

17 33. The Late Objection Letter is entirely at odds, however, with the events that happened  
18 years earlier. The Late Objection Letter, for example, ignores that in January and February of 2010,  
19 the Trust as owner of the Policy agreed that it preferred to surrender the Policy and transfer ownership  
20 of the Policy to Windsor in exchange for being let out of its entire obligations; it ignores that the  
21 Insured himself asked for a release to complete his file and that Windsor sent a written release in April  
22 2010 and it ignores that the Trustee and the Insured had for five months taken no issue with the  
23 statements in the June 2014 letter when Windsor reaffirmed to the Trust and Trustee that transfer of  
24 ownership relieved the Trust and Trustee of all financial obligations under the Financing Agreement  
25 Package.

#### 26 **IV. COMPETING CLAIMS FOR POLICY PROCEEDS**

27 34. Windsor realleges and incorporates by reference paragraphs 1 through 33 of the  
28 Complaint.



1        35. This is a Complaint for Declaratory Relief in which Windsor and The Trust and Trustee  
2 each assert competing claims. Windsor claims an absolute right of ownership of the Policy that includes  
3 all death benefit proceeds. The Policy death benefit proceeds total two million dollars (\$2,000,000.00).  
4 The Trust's and Trustee's claim is ambiguous; it ignores the Trust's admissions confirmed by signed  
5 and notarized documentation and the express surrender and transfer of ownership by written agreement  
6 effectuated by the Trust through its Trustee in 2010.

7        36. The letter dated November 4, 2014 by the Insured to Windsor indicates an unauthorized  
8 intention to make a claim on the Policy death benefit proceeds.

9        37. Windsor is informed and believes, and on that basis alleges that the Trust and Trustee  
10 intend to make a claim on the Policy. This anticipated claim by the Trust and Trustee is contradicted by:

11            (a) The Trust's voluntary surrender and assignment of the ownership and beneficial  
12 interest in the Trust in return for a release of its obligations, as made in February 2010 and as  
13 memorialized by fully executed documents authorizing and consenting to the transfer of ownership for  
14 the Policy to Windsor in February, 2010;

15            (b) The release requested by the Insured in March 2010; and

16            (c) The lack of objection for more than four years to the release and Change of  
17 Ownership. [See Exh. E, at pp. 1-3.]

18        38. The Trust's and Trustee's indication of the Trustee's intention to make a claim on the  
19 Policy is further contradicted by the Trust's complete failure to make any premium payments for the  
20 Policy. Windsor has paid all premiums related to the Policy. Had the Trust in fact intended to retain  
21 any claim to the Policy or its benefits, the Trust would have paid attention to make sure that premiums  
22 continued to be paid on the Policy so the Policy did not lapse. The Trust, however, did not. It  
23 transferred ownership of the policy per the agreement of the parties, understanding it would be relieved  
24 of its obligations to Windsor, and never looked back until November of 2014, more than 4 years after  
25 the Trust and Trustee surrendered the policy, when the Insured (not the Trust or Trustee) raised a late  
26 objection.

27        39. Neither the Trust nor anyone else connected to this action other than Windsor has ever  
28 taken any steps to pay the Policy premiums or to repay the loan under the Financing Agreement Package

1 was signed.

2 40. At no point did the Insured, the Trust, the Trustee, any representative of the Trust, or  
3 anyone else connected to this action object to or otherwise attempt to rescind the forms surrendering the  
4 Policy and appointing Windsor as the owner and beneficiary of the Policy. Indeed neither of the  
5 Defendants, the Insured, nor the original Servicing Agent has had any communication relating to the  
6 Policy for more than four years after Windsor became Owner and sent a release to the Insured.

7 41. The indication of the Trustee's intention to make a claim on the Policy is further  
8 contradicted by the Default Sale Right provision of the Assignment (Document #15 in **Exhibit B**, page  
9 130) and/or the controlling provisions of the California Commercial Code that authorized Windsor to  
10 retain the Policy, which had originally been pledged as collateral, in full satisfaction of the debt based on  
11 The Trust's and Trustee's offer to Windsor in February, 2010, made through its Servicing Agent, that  
12 Windsor take full ownership of the Policy, with the attendant right to change the beneficiary. [Com.  
13 Code §§ 9620, *et seq.*; *see also*, ¶15, *infra*.]

14 42. At no time prior to November 2014 did the Trust and Trustee object to the full and  
15 complete assignment of the Policy to Windsor or to Windsor's designation as the beneficiary as stated in  
16 the Request of Ownership Change signed and transmitted by the Trustee to Windsor in February 2010.

17 43. The late "objection" sent in November 2014 is of no effect due to, *inter alia*,  
18 untimeliness. An "objection" by the Trust or the Trustee is completely absent. And, the "objection" by  
19 the Insured comes more than 4 years after the Trust informed Windsor that it did not plan to pay back its  
20 loan or any premiums going forwards and was willing instead to relinquish Ownership and change the  
21 beneficiary to Windsor in February 2010, which Windsor indicated was acceptable, and thereafter the  
22 Trustee signed and provided the Request of Ownership Change sent to Pacific Life to effectuate the  
23 change.

24 44. Contrary to the assertion made in the November 2014 letter, the Financing Agreement  
25 Package did not limit Windsor's right to "selling" the Policy. Likewise, the Request of Ownership  
26 Change signed and transmitted by the Trustee to Windsor in February 2010 imposed no limitation to the  
27 transfer of complete ownership of the Policy to Windsor.

28 45. Windsor in February of 2010 through the current date retained all rights, and assumed

1 and satisfied all payment obligations, under the controlling law, including the right that Windsor take  
2 full ownership of the Policy, with the attendant right to change the beneficiary and receive all benefits  
3 under the Policy. Windsor alone has made all premium payments for the Policy since 2009.

4 46. Based on the foregoing competing claims and the possibility of further competing claims,  
5 Pacific Life could be placed in a position of conflict regarding to whom it should pay the death benefit  
6 proceeds of the Policy.

7 47. These competing claims create the real possibility that Pacific Life could face double or  
8 multiple liability if it pays the Policy proceeds to Windsor or to any representative of the Trust as the  
9 Policy beneficiary at the time of Mr. Coppock's death.

10 **Declaratory Relief**

11 48. Windsor realleges and incorporates by reference paragraphs 1 through 47 of the  
12 Complaint.

13 49. By reason of the foregoing, Windsor is entitled to declaratory relief with respect to the  
14 Death Benefit Proceeds on the grounds that as between Windsor and the Trust, Windsor has the superior  
15 right, title, and interest in and to the Death Benefit Proceeds and that therefore the Death Benefit  
16 Proceeds ought to be preserved for and paid over to Windsor.

17 **PRAAYER FOR RELIEF**

18 **WHEREFORE**, Windsor prays for judgment as follows:

- 19 1. A judgment in favor of Windsor on all of its Claims;  
20 2. A declaration that Windsor is entitled to receive the entirety of the Death Benefit  
21 Proceeds plus postmortem interest in this action;  
22 3. An award to Windsor of its reasonable costs and expenses of litigation, including  
23 attorneys' fees and costs; and  
24 4. Such other and further relief as the Court may deem just and proper.

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By: /s/ Darin T. Judd  
Darin T. Judd  
Attorneys for Plaintiff  
WINDSOR SECURITIES, LLC

Dated: January 6, 2014

THOMPSON, WELCH, SOROKO & GILBERT, LLP

Respectfully submitted:

Windsor respectfully demands a jury trial of all issues triable to a jury in this action.

In accordance with Rule 38 of the Federal Rules of Civil Procedure and Civil L.R. 3-6(A),

**DEMAND FOR JURY TRIAL**